



The Policy That Makes Every Year Our Best Year

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A FEW years ago, a friend with whom I was talking over some of the improvement work we are constantly doing on our pens and pencils, said:

"There's a chap making dental machinery down in New England who would be a help to you on this work."

Partly because he was not a pen-and-pencil man, I went down to see him, and hired him. When he came out to Janesville to work, he said to me:

"As you know, I know almost nothing about the fountain-pen business. If you don't mind, I'd rather not be told anything, for the present. It will be better, I think, if I do not know too much about how things have been done. Just let me take one of the pens and think about it, and see how it seems to me—they ought to be done."

The pen point, as the business end of the pen, was the first thing he studied, and he immediately discovered a practice there that struck him as strange. As with all other pens of that time, the two sides of the point of our pen were braced together at the tip. It had been assumed from time immemorial in the pen business that the bracing was necessary to make the point strong.

No one experienced in the pen business would have thought of questioning the practice: no one had questioned it in many years, at any rate.

But the dental machinery man, with his mind fresh toward our work, immediately thought of it as odd. He noticed that the two sides of the pen were strong enough to stand on their own, without this pressing together. He thought the ink might flow down between them better if they were not so pressed.

And he made up a pen in this novel style to find out.

This fountain pen was the first ever made in our factory, and the first ever

ONE of the most persistent worries in business hinges on the question: "How can I, in the face of approaching market saturation and growing competition, keep my volume growing healthily?"

Here is Mr. Parker's answer, told frankly from the experience of a company which, for 34 years, has done more business each year than it did the year before.

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made anywhere, so far as I know, that was sure to write the moment it was set to paper.

We adopted the new style of point, and it has been a large factor in our sales ever since. I have recently been around the world, and I have found people everywhere giving this as a reason for having purchased our pen.

One of the easiest assumptions for all of us, I suspect—all managers. I mean—is that the best guidance in

running our business is what already has been done in it, in our own concern or in others in our line.

I am certainly not saying that we have profited by ignoring what has worked well for us in the past, or what has worked well for our competitors. But I am quite frank in saying that our best gains have come from departures from both.

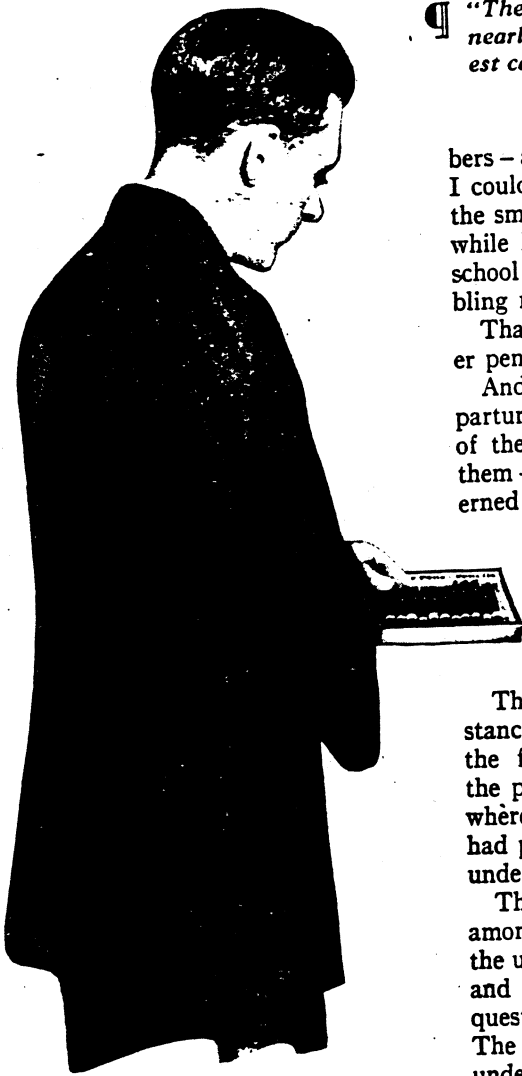
What is it, really, that has enabled us to go forward? We have made some money every year since the beginning, 34 years ago; and every year, good and bad, we have done more

business than in the year before. What was it accomplished this? Not good pens alone, or mere energy and intelligence on the part of the sales force. Other concerns with high standards in both have fallen by the wayside long since.

The essential thing, beyond either of these, has been a responsiveness to new demands, regardless of whether it was in accord with the traditions of the business. That has saved us and helped us repeatedly. We have contrived to follow the turn in the road, when we might easily have gone off the cliff.

My first experience in the pen business was a lesson in doing just this. I was teaching in a school of telegraphy here in Janesville, and I was selling fountain pens to the students for one of the old-time manufacturers, now out of business. The idea of a fountain pen was popular with the students, but the pens themselves were continually giving dissatisfaction, and the principal trouble was that there was no provision in them for a steady flow of air up into the ink

¶ "The policy of ready response to new demands is worse than useless, it is pretty nearly sure to be disastrous in the long run, unless it proceeds with the greatest care in testing new demands. To get a better indication of the demand for new pens, we sent investigators into three different states."



bers - all for just the few dollars that I could spare - and in my bedroom in the small hotel where I was living, and while I was still a "professor" in the school of telegraphy, began assembling my own pens.

That was the beginning of the Parker pen.

And you see how it represented a departure from the prevailing practices of the pen business, so far as I knew them - a departure which was governed solely by the demand I had seen.

Whenever there has been anything like a crisis in our business, we have usually been able to see that we needed only to do that same sort of thing.

There came a time, for instance, when the public clearly wanted the feed-shaft on the under side of the pen, instead of on the upper side, where it always had been. Some one had put out a pen with the feed-shaft underneath, and it "took."

There was a good deal of discussion among the pen makers as to whether the under-feed pens really were better; and I suppose it is still a debatable question. But that was not the point. The public had shown it wanted the under-feed pens, and was satisfied with their service.

More than one manufacturer went out of business on the issue; and although we were not first to adopt the under-feed plan, the fact that we were quick to adopt it, once the demand had appeared, clearly sent us forward, when we might have gone back.

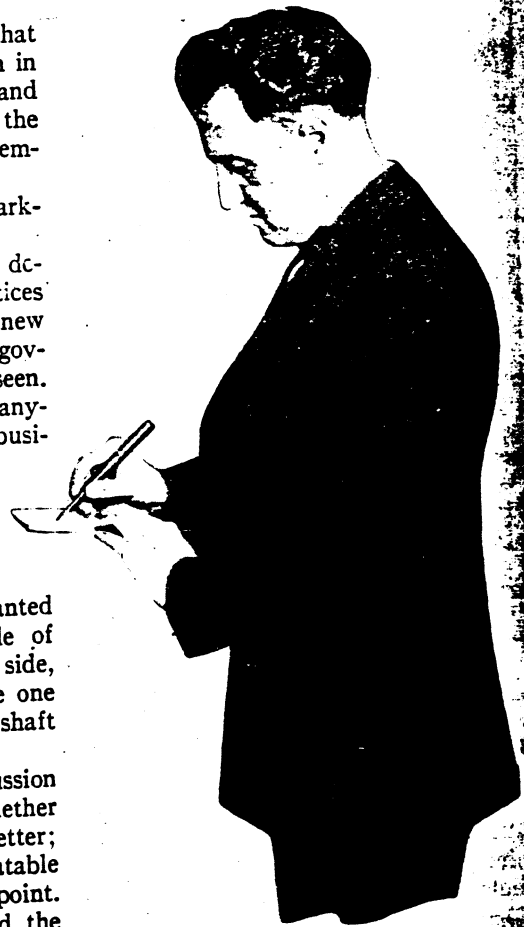
We have had that sort of experience again and again.

"One of our most interesting and profitable experiences. . ."

But if we had always waited for new demands to be demonstrated by some one else before we did anything about them, we should have missed the best advances we have made.

I have thought many times of our experience with Billy Collins, our first full-time salesman. Always before Billy, we had sold only through salesmen who carried our pens as a sideline, and through occasional trips of our headquarters' staff.

But Billy ranged over the country, giving his full time to us and selling what seemed a great quantity of pens. He sold them in every section of this country, and when he had exhausted



chamber as the ink flowed out. The pens alternated between no flow of ink at all, when the air was trying to force its way up there, and too abundant a flow when it had forced its way up in a lump, so to speak.

So far as the manufacturer was concerned, this evidently was regarded as a normal difficulty. But to me, forced to live with the students I had sold the pens to, it was a very great difficulty indeed. Other manufacturers had worked on the problem before that time, but what they had done was unknown to me. But as the students brought their pens to me, to see what could be done, I saw the need of a new sort of feed-shaft. I got a scroll saw, a file, and some other simple equipment, and tinkered until I had made up a shaft that would let the air up more steadily. I put these shafts into the pens of the manufacturer I was working for, solely to give satisfaction to the people I had sold.

But when I had improved the pens in this way, it occurred to me that I might as well be selling pens of my own. I bought a supply of hard rubber tube, planned some new parts with the help of a local jeweler, ordered other parts from manufacturing job-

the opportunities here, as he thought, he went over to Cuba and sold a lot there.

From Cuba, he came back to Jacksonville, and said he was going to work in the factory awhile. The market, he said, was saturated!

Well, if our own experience, or the experience of any other manufacturer that we knew about at the time was a guide, Billy was right. He had sold more pens in a year than we had ever hoped to sell in that time. But presently, simply by following our common sense - common sense that told us there was far more need of fountain pens in the country than any one had yet demonstrated - we were led to send Billy back on the road, and another salesman besides - and to double our sales in a year!

We have had similar experiences with dull years. The evidence in those years, if we took only the evidence that was offered us on a platter, was all for reduced opportunities. But, by the simple expedient of putting more pressure back of our selling - adding a salesman or two, doing more or better advertising, or something of the kind - we have been able to uncover more of that latent and undemonstrated de-

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(Continued from page 441)

would represent the true opinion of the people they talked to. That, of course, is the first consideration in an investigation of this kind. They went to small towns and large, talked to people in their homes, on the streets, wherever they could find them, and to all classes of people. Displaying his tray of pens, each investigator said:

"Will you pardon me, please, if I ask you a question? I am not selling pens, I am merely finding out what kind people like. It will help me a great deal to have your opinion. Won't you try these pens, and see which one suits you best?"

They recorded each interview, and the returns made up at last showed the following:

1. Percentage of men and percentage of women favoring the following:

(a) Oversize; percentage favoring red, percentage favoring black.

(b) Duofold, Jr.; percentage favoring red, percentage favoring black.

(c) Lady Duofold; percentage favoring red, percentage favoring black.

(d) Regular black pens at various prices.

2. Percentage of people favoring Oversize Duofold but objecting to price: same information on other two Duofolds.

3. Extent to which people expressed admiration for Duofold's

(a) Color

(b) Point

(c) Size

4. Comments favorable and unfavorable on various makes and styles of pens.

The investigation showed an extensive demand for the Duofolds, in comparison with all other pens; and, together with the indications that had been coming in from our sales force, it convinced us that we should go ahead with a more direct and thoroughgoing test—the test of an actual advertising and selling campaign. We chose Chicago for this campaign, because, like New York, it is not an easy market. To make a success in Chicago in an "off season" as March and April were then generally regarded in the fountain-pen business, meant that the campaign should be successful almost anywhere in the country.

This campaign was to be of about 12 weeks' duration. One newspaper was selected for the test. More papers would have been better, and have since been added. But for the test, it was considered desirable to restrict the

expenditure as much as possible without defeating the purpose.

The schedule of advertising to be run consisted of 15 insertions:

One 800-line advertisement first week.

Two 360-line advertisements each week for 3 weeks.

One 360-line advertisement for 8 weeks.

I quote from a report prepared soon after the campaign on what followed:

"On a Saturday, nine days preceding the publication of the first advertisement, ten Parker salesmen, having left their territories, reported in Chicago. The day was spent in holding a 'sales school,' in which the sales crew was instructed in the presentation of the proposition to the retailers.

"Each salesman was supplied with:

"A. Sample Duofold pens.

"B. Portfolio containing:

1—Letter from the newspaper to be used certifying to the receipt of a non-cancellable order for the advertising.

2—Proofs of the advertisement.

3—Reproductions of posters, of which 156 were to be posted throughout the city, to show the black-tipped, lacquer-red color of the Duofold, which could not be shown in the newspaper.

4—Reproduction of counter cards and window-display cards, which the advertiser would supply free.

5—Testimonial letters from dealers in other towns who had handled the pens with large success.

6—A set of instructions for salesmen.

7—A map of Chicago with advertising centers numbered.

8—A set of cards, each bearing the name and address of a stationery, drug, department, or jewelry store, and a number corresponding to the number of trading center on the map where the store was located. On the back of each card was the rating of each dealer.

"Salesmen were assigned certain trading centers and given the dealer-cards for the center, arranged in a 'call route.'

"The salesmen started out at 8:30 a.m. the following Monday and worked one week. They were then sent back to their regular territories and two men left to make follow-up calls on dealers who had not bought. (The gross sales of pens in the first week exceeded the gross cost of the three months' advertising scheduled for Chicago.)

"The first advertisement appeared the Monday following the sales drive. This contained the names of the Chicago stores which had stocked Duo-

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olds. The insertion of the store name in this advertisement was one of the inducements which the salesmen had made to the dealers.

"Window displays were obtained in a large number of stores, through salesmen and a special window-trimming agency. The displays established contact with the public at the place of sale, and this while the advertising was in progress."

Originally it was planned to test the campaign for three months in Chicago, and, if the campaign was successful, to make such modifications as might seem advisable and repeat the success in other cities. But by the time the fifth advertisement had appeared, the pens were moving to such an extent in Chicago that we decided to lose no time in covering other large cities in the same way.

"The dealer could order almost with his eyes closed."

Eastern salesmen were called into New York City, and handled as the others had been in Chicago. The Chicago plan was followed also in about 14 other major cities. During the summer, campaigns, modified according to the size of the city, were put on in other cities throughout the country.

Meantime our salesmen had been selling in smaller towns, where they had found good demand developing because of the country circulation of the metropolitan newspapers. Thus by August, we had sufficiently strong representation in large and small cities throughout the country to begin our national advertising, which has steadily grown ever since.

The year 1922—the year of these first campaigns—closed with a 77% gain in our sales over 1921, notwithstanding that the first three months (prior to the Duofold advertising) had registered a loss.

The success of the Duofolds, incidentally, made it practical for us to simplify our line: and this was one of the best things it did. Like many manufacturers, we had added style after style, rather lightly, for service and for other reasons, until we had a great many styles. We were making more than 400 styles of pens four years ago.

It had been difficult to drop any of them, so long as no one group was predominant. All of them were necessary, so far as we knew, to maintain our sales. But with the Duofolds going so well, and making their heavy demands on our factory capacity, we were able to cut our old styles without apprehension. We have reduced them gradually, and certainly without dam-

aging the business, until we now have less than 50 styles altogether.

What that has meant in the factory will be obvious to factory men. But it has meant quite as much to the sales force. They have been able to go to dealers with a complete line, and yet a line in which every item was a fast mover. The dealer, that is to say, could order a stock of all fast movers almost with his eyes closed—a thing that he could scarcely do under any conditions before.

With the line thus simplified, we were able to work out simple, yet complete, merchandising plans for retailers—plans based on the experience of successful retailers and that we knew would work: so that our salesmen when properly trained—and we saw to it that they were so trained very early in the game—were able to go to dealers with not only pens to sell, but a whole merchandising plan that had made money for other merchants similarly situated.

"We still did not close our minds to changing demands."

This is how, under quite modern conditions, we have adjusted ourselves to a new demand, and made gains in our volume and profits in each of the last three years that were considerably the largest in our history.

The easiest time to become set in one's ways is, of course, in the midst of some substantial accomplishment, or on the heels of it. We could have gone on very comfortably with only the Duofolds and the few other pens and pencils that we carried: and indeed, the temptation to do that was unusually great, because of the persistent growth in the Duofold business.

But we have reason to be glad that we did not—that we still did not close our minds to changing demands and fresh opportunities.

Another branch manager came to me some months ago, much as the one I have already told of had come, with the idea of a superpencil—if I may use the expression. A pencil to correspond to the oversize pen. If people were willing to pay for a pen they could take a pride in, he said, why would they not do as much for a pencil?

It would have been easy, as I say, to turn our backs on the idea, especially in view of the attention the pens were requiring. And that was what we were inclined for a little while to do. But we put out a few of the pencils. We tested along in various ways, as we had with the pen. And one of our biggest sellers now is that pencil.